

Message Text

CONFIDENTIAL

PAGE 01 LUBUMB 00746 01 OF 02 080902Z

ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 COME-00 EB-08 LAB-04 SIL-01 OMB-01

TRSE-00 /083 W

-----009654 080951Z /15

P 080820Z SEP 77

FM AMCONSUL LUBUMBASHI

TO AMEMBASSY KINSHASA PRIORITY

INFO SECSTATE WASHDC PRIORITY 2183

AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 2 LUBUMBASHI 0746

E.O. 11652: GDS

TAGS: ELAB, PINT, CG

SUBJECT: LABOR UNREST SPREADS TO SHABA

REF: (A) KINSHASA 8162, (B) KINSHASA 8372 (NOTAL)

1. SUMMARY:

LABOR UNREST WHICH BEGAN IN KINSHASA IN AUGUST SPREAD TO SHABA DURING THE FIRST WEEK IN SEPTEMBER. SOME OF GECAMINES WORKERS IN LIKASI PLANTS WALKED OFF THE JOB ON SEPTEMBER 1 AND AT KOLWEZI ON SEPTEMBER 6. LUBUMBASHI AND KIPUSHI HAVE REMAINED QUIET. COMPANY POSITION ON STRIKERS AS SET BY GOVERNMENT IS THAT THERE WILL BE NO NEGOTIATIONS UNTIL STRIKERS RETURN TO WORK. STRIKING WORKERS HAVE BEEN CONFRONTED BY ARMED UNITS, BUT WITHOUT MUCH VIOLENCE AS YET. MANY STRIKERS AND STRIKE LEADERS IN LIKASI HAVE ALREADY BEEN FIRED. HEAD OF GECAMINES AND STATE COMMISSIONERS OF MINES AND LABOR GOING TO KOLWEZI ON SEPTEMBER 8 TO SEEK RESOLUTION TO PROBLEM. IF STRIKERS RETURN TO JOBS, LOW COPPER PRICES WILL STILL MAKE IT DIFFICULT FOR COMPANY TO MEET WORKERS DEMANDS. IF GECAMINES WORKERS OBTAIN INCREASES, STRIKE

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LUBUMB 00746 01 OF 02 080902Z

ACTIVITY ALMOST CERTAIN TO SPREAD TO OTHER SECTORS. PROSPECTS FOR SIMPLE RESOLUTION OF PROBLEMS ARE NOT BRIGHT. CONTINUING LABOR PROBLEMS WILL NOT ONLY BRING FURTHER ECONOMIC DIFFICULTIES TO SHABA'S TROUBLED ECONOMY, BUT ALSO OFFER UNREST WHICH COULD BE EXPLOITED AS NEW STAGE OF SHABAN WAR. END SUMMARY.

2. DESPITE EARLIER STRIKE DISTURBANCES IN KINSHASA LABOR SITUATION IN SHABA REMAINED CALM THROUGH THE MONTH OF AUGUST. WHEN BANQUE COMMERCIALE DU ZAIRE (BCZ) WORKERS WENT ON STRIKE IN KINSHASA, LOCAL BCZ DIRECTOR SAID HE WAS ABLE TO DIFFUSE LOCAL STRIKE THREATS BY PROMISING HIS WORKERS ANY BENEFITS GAINED BY STRIKERS IN KINSHASA. HE ARGUED THEY WOULD BE STRIKING FOR NOTHING SINCE THEY WOULD NOT BE PAID DURING WALK-OUT PERIOD AND COULD NOT GAIN ANY BENEFITS BEYOND THOSE ACQUIRED BY THEIR KINSHASA COLLEAGUES.

3. LOCAL ATTENTION HAS FOCUSED PRIMARILY ON LIKELY ACTIONS OF GECAMINES WORKERS WHO ARE MOST NUMEROUS AND GENERALLY BEST PAID OF SHABA WORKERS. IF GECAMINES WORKERS, WHO WERE IN FOREFRONT IN SHABA'S LABOR UNREST IN JUNE-JULY 1976 OBTAIN PAY INCREASES, ALL OTHER SHABA WORKERS WILL DEMAND AND EXPECT SIMILAR INCREASES.

4. THE HEAD OF GECAMINES AT LIKASI, KAFITE WA PA BOWA, IS SAID TO HAVE WARNED AT STAFF MEETING ABOUT TWO WEEKS AGO THAT THE SITUATION IN LIKASI WAS POTENTIALLY EXPLOSIVE. NO ACTION WAS TAKEN AT THE TIME PRIMARILY BECAUSE OF ABSENCES BY TOP GECAMINES MANAGEMENT: UMBA KYAMITALA, THE DEPEGATE GENERAL WAS STILL ON HOLIDAY IN BELGIUM AND HIS DEPUTY, LUCIEN KORT WAS SICK AND

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LUBUMB 00746 01 OF 02 080902Z

SPENDING ONLY A FEW HOURS A DAY AT THE OFFICE.

5. ON AUGUST 30, 6,500 WORKERS AT SHITURU COPPER MILL AND THE CENTRAL WORKSHOP IN LIKASI GAVE 48 HOUR NOTICE THAT THEY WOULD GO ON STRIKE ON SEPTEMBER 1. THE COMPANY'S POSITION AS SET FORTH BY THE GOVERNMENT IN KINSHASA WAS THAT ALL WORKERS MUST RETURN TO THE JOB BEFORE THEIR DEMANDS WOULD BE CONSIDERED. OVER FOLLOWING WEEKEND 5,000 WORKERS AGREED TO RETURN TO WORK. DELEGATE GENERAL UMBA RETURNED FROM HIS HOLIDAY ON SEPTEMBER 3 AND IMMEDIATELY WENT TO LIKASI TO TRY TO RESTORE CALM. ON MONDAY, SEPTEMBER 5, MILITARY UNITS CONFRONTED SEVERAL HUNDRED STRIKERS. NO CONFIRMATION ON SERIOUSNESS OF CONFRONTATION, BUT UP TO 1,500 WORKERS WHO HAD NOT COME TO TERMS WERE REPORTEDLY FIRED ON ORDER OF THE REGIONAL COMMISSIONER AND EXPELLED IMMEDIATELY FROM THEIR COMPANY-PROVIDED HOUSING.

6. ON SEPTEMBER 6, REGIONAL COMMISSIONER, EFAMBE Y'OLANGA HELD A MEETING WITH ALL LUBUMBASHI'S BUSINESS LEADERS WHERE HE CONDEMNED EMPLOYERS WHO REFUSED TO DISCUSS WORKERS GRIEVANCES ON GROUNDS THAT CURRENT ECONOMIC

DIFFICULTIES PREVENTED ANY INCREASES. HE ACKNOWLEDGED ACTIONS AGAINST GECAMINES WORKERS IN LIKASI AND PUT ALL WORKERS ON GUARD THAT WILD AND ILLEGAL STRIKES WOULD NOT BE TOLERATED. HE CALLED ON MPR MEMBERS TO EDUCATE WORKERS ON WHAT WERE REASONABLE DEMANDS UNDER DIFFICULT ECONOMIC CLIMATE.

7. STRIKE ACTION SPREAD NEXT TO GECAMINES IN KILWEZI ON AFTERNOON OF SEPTEMBER 6 WHERE WORKERS IN SEVERAL OF MINES AND SOME OF FACTORIES WALKED OFF THE JOB. THERE WAS AT LEAST ONE CONFRONTATION BETWEEN STRIKERS AND ARMED UNITS IN KILWEZI WHICH MAY HAVE RESULTED IN A FEW CASUALTIES. THE STRIKE CONTINUED THROUGH THE AFTERNOON OF SEPTEMBER 7. STATE COMMISSIONERS OF MINES
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 LUBUMB 00746 01 OF 02 080902Z

TAKIZALA AND OF LABOR ATIWIYA WHO HAD ARRIVED IN LUBUMBASHI SEPTEMBER 6 PLANNED TO ACCOMPANY DELEGATE GENERAL UMBA TO KILWEZI ON SEPTEMBER 8 TO SEEK SOLUTION. PRESIDENT MOBUTU IS EXPECTED TO VISIT SHABA AT THE END OF THE WEEK TO LOOK INTO LOCAL LABOR PROBLEMS.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LUBUMB 00746 02 OF 02 080938Z
ACTION AF-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01
INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02
SS-15 USIA-06 COME-00 EB-08 LAB-04 SIL-01 OMB-01
TRSE-00 /083 W

-----010088 080951Z /15

P 080820Z SEP 77

FM AMCONSUL LUBUMBASHI
TO AMEMBASSY KINSHASA PRIORITY
INFO SECSTATE WASHDC PRIORITY 2184
AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 2 OF 2 LUBUMBASHI 0746

8. AT MEETING WITH CONSUL ON SEPTEMBER 7 UMBA SAID HIS ORDERS WERE TO GET WORKERS BACK ON THE JOB BEFORE

CONSIDERING ANY NEGOTIATIONS. WHILE THE TOWNS OF LUBUMBASHI AND KIPUSHI REMAINED CALM AND STRIKERS HAD HIT ONLY SELECTED INSTALLATIONS IN LIKASI AND KOLWEZI UMBA FELT THAT STRIKE ACTION WAS CENTRALLY ORGANIZED. UMBA SAID THAT THE EXACT DEMANDS OF THE WORKERS WERE NOT YET CLEAR. HE ADDED THAT LOW COPPER PRICES WOULD MAKE ANY WAGE INCREASES VERY DIFFICULT. ONE OF HIS RESPONSIBILITIES WAS TO IMPRESS UPON WORKERS GECAMINES' CURRENT ECONOMIC DIFFICULTIES. THE DIRECTOR OF BCZ SAID HE BELIEVED LIKASI WORKER DEMANDS WERE RELATED TO UNREST OF JUNE/JULY 1976 WHEN STRIKERS HAD ASKED FOR 50Z PER MONTH INCREASE AND WERE MOLLIFIED BY ONE TIME 50Z PAYMENT AND 15Z PER MONTH INCREASE. HE SAID GECAMINES WORKERS WERE NOT SEEKING AN IMMEDIATE PAYMENT OF 200Z AND MONTHLY INCREASE OF 35Z TO COMPENSATE FOR ALLEGED LOSSES SINCE LAST SUMMER.

9. CONSULATE COMMENT.

ALTHOUGH WAGES AND BENEFITS FOR GECAMINES WORKERS GENERALLY EXCEED THOSE OF OTHER COMPANIES AND SHABA'S
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LUBUMB 00746 02 OF 02 080938Z

HIGH UNEMPLOYMENT RATE OFFERS A READY SUPPLY OF WORKERS, PRICES HAVE CLIMBED SO HIGH IN THE PAST YEAR (FOR EXAMPLE, THE OFFICIAL PRICE OF A SACK OF CORN FLOUR, SHABA'S STAPLE, HAS MORE THAN DOUBLED) THAT GECAMINES LABOR LEADERS SEEM TO HAVE DECIDED THAT THEY HAD LITTLE TO LOSE ONCE THE WAGE FREEZE AND BAN ON COLLECTIVE BARGAINING WERE LIFTED. THE GOVERNMENT HAS RESONDED WITH A FIRM LINE: NO NEGOTIATIONS WITH STRIKERS, CONFRONTING STRIKING WORKERS WITH MILITARY UNITS, AND FIRING NOT ONLY WORKERS WHO WILL NOT RETURN TO THEIR JOBS BUT MORE SIGNIFICANTLY

STRIKE ORFANIZERS. IF THE GOVERNMENT SUCCEEDS IN GETTING WORKERS TO RETURN TO WORK, GECAMINES WILL BE HARD PRESSED TO FIND FUNDS TO FULFILL ANY WAGE INCREASES WITH COPPER PRICES HOVERING BETWEEN 53-55 CENTS PER POUND ON THE LME, THE LOWEST PRICE IN SEVERAL YEARS. IF GECAMINES RAISES WAGES, WORKERS IN SHABA'S OTHER INDUSTRIES WILL DEMAND SIMILAR INCREASES. IT IS GENERALLY AGREED, HOWEVER, THAT THE OTHER COMPANIES, WHICH HAVE BEEN DEPRESSED FOR MONTHS BECAUSE LOW COPPER PRICES HAVE LIMITED GECAMINES SPENDING ARE IN EVEN POORER SHAPE THAN THE MINING GIANT TO GRANT WAGE INCREASES.

10. UNLESS GECAMINES WORKERS CAN BE TALKED BACK TO WORK AND THEN CONVINCED TO POSTPONE THEIR DEMANDS FOR MAJOR WAGE INCREASES, THE FORECAST FOR SHABA IS GLOOMY. CONTINUING LABOR PROBLEMS WILL NOT ONLY CUT BACK COPPER

PRODUCTION AND FORCE RETRENCHMENT IN OTHER ECONOMIC
AREAS, BUT ARE LIKELY ALSO TO HAVE POLITICAL RAMIFICATIONS.
WHILE THE STRIKING LABORERS WILL PROBABLY HAVE LITTLE
IMPACT ON UPCOMING ELECTIONS, THEY COULD PROVIDE THE
UNREST WHICH WILL OFFER THE FLNC AN OPPORTUNITY TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LUBUMB 00746 02 OF 02 080938Z

DEVELOP GREATER SUPPORT IN URBAN AREAS FOR A NEW PHASE
OF THE SHABAN WAR. WHILE THERE IS LITTLE EVIDENCE OF
FIRM PLANS FOR A RENEWAL OF THE SHABAN WAR, THE
BEGINNING OF THE RAINY SEASON IN OCTOBER OFFERS THE
MOST LIKELY TARGET DATE, GIVING THE GOVERNMENT ABOUT
ONE MONTH TO RESOLVE THE LABOR DIFFICULTIES IF IT
WANTS TO KEEP THE TWO PROBLEMS SEPARATED.
BORG

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR DISPUTES, LABOR STRIKES
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LUBUMB00746
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770325-0234
Format: TEL
From: LUBUMBASHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770987/aaaacvai.tel
Line Count: 243
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bd6eaa4a-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 KINSHASA 8162, 77 KINSHASA 8372
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1350072
Secure: OPEN
Status: NATIVE
Subject: LABOR UNREST SPREADS TO SHABA
TAGS: ELAB, PINT, CG
To: KINSHASA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/bd6eaa4a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009